

Message Text

LIMITED OFFICIAL USE

PAGE 01 SAN SA 04775 111951Z
ACTION ARA-15

INFO OCT-01 EUR-12 ISO-00 OES-09 AID-05 CIAE-00 EB-08
FRB-03 INR-10 NSAE-00 ICA-11 TRSE-00 XMB-02
OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 HA-05 INT-05
L-03 NSC-05 SS-15 STR-07 CEA-01 /128 W
-----081517 120410Z /12

R 111855Z SEP 78
FM AMBASSY SAN SALVADOR
TO SECSTATE WASHDC 9564
INFO AMEMBASSY BONN
AMEMBASSY MADRID
AMEMBASSY PARIS
AMEMBASSY GUATEMALA
AMEMBASSY SAN JOSE
USDOC WASHDC
AMEMBASSY TAGUCIGALPA
AMEMBASSY MANAGUA

LIMITED OFFICIAL USE SAN SALVADOR 4775

E.O. 11652: N/A
TAGS: OVIP SHUM EAID EFIS ETRD ES
SUBJ: GOES SIGNS SOFT LOAN AGREEMENT WITH FRENCH TO FINANCE
SALVADORAN FISHING INFRASTRUCTURE

REF: SAN SALVADOR 4708 (NOTAL)

1. SUMMARY. GOES SIGNS 54.4 MILLION DOLLAR SOFT LOAN AGREEMENT
WITH THREE FRENCH BANKS TO FINANCE INFRASTRUCTURE FOR DEVELOPMENT
OF SALVADORAN FISHING INDUSTRY. SUBJECT LOAN, ALONG WITH INTER-
CHANGE OF TRADE MISSIONS, APPEARS TO BE PART OF LARGER GOES
EFFORT TO IMPROVE RELATIONS WITH EEC, ESPECIALLY WITH THOSE
MEMBER COUNTRIES PERCEIVED BY GOES TO RANGE FROM INDIFFERENT TO
MODERATE ON HUMAN RIGHTS.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 SAN SA 04775 111951Z

2. IN DECEMBER 1977 GOES CONTRACTED WITH ITS OWN FUNDS TWO FRENCH
FIRMS, OMNIUM TECHNIQUE DE L'URBANISME ET DE L'INFRA-
STRUCTURE OTUI S.A. AND LA SOCIEDAD FRANCESA DE
ESTUDIOS Y RELIZACCIONES MARITIMES, PORTUARIAS Y
NAVALES - SOFREMER, TO DO A FEASIBILITY STUDY CONCERNING
THE DEVELOPMENT OF A SALVADORAN FISHING INDUSTRY.

3. MORE SPECIFICALLY, THE ABOVE STUDY WAS TO INCLUDE
(A) IDENTIFYING THE MOST APPROPRIATE LOCATION FOR A
FISHING PORT AND CORRESPONDING FISH PROCESSING INSTALLA-
TIONS, (B) A GENERAL EVALUATION OF MARINE RESOURCES, AS
WELL AS AN INVENTORY OF EXISTING INFRCTURE, (C) AN
EVALUATION OF EXISTING SHIP BUILDING, REPAIR AND MAIN-
TENANCE FACILITIES, (D) AN ANALYSIS OF LOCAL DEMAND FOR
FISHERY PRODUCTS, AND (E) AN ANALYSIS OF THE PROPOSED PROJECT'S
IMPACT ON THE ECONOMY AS A WHOLE.

4. IN JULY 1978 THE FRENCH AMBASSADOR DELIVERED THE
COMPLETED FEASIBILITY STUDY TO THE MINISTRY OF PLANNING.
THE STUDY INCLUDED RECOMMENDATIONS FOR CONSTRUCTION OF
(A) A 350 METER FISHING PIER WITH ATTENDANT INSTALLATIONS
TO HANDLE PRODUCTION OF 10,000 TONS OF BOTTOM FISH AND
25,000-30,000 TONS OF YELLOW FIN TUNA ANNUALLY, AND (B)
A WHOLESALE FISH MARKET IN SAN SALVADOR.

5. ON THE OCCASION OF THE DELIVERY OF THE FEASIBILITY STUDY,
THE GOES EMPHASIZED THAT THE STUDY WAS AN INTEGRAL PART
OF STRATEGIC PROGRAM-6 ENTITLED EXPLOITATION OF FISHERY
RESOURCES OF THE FIVE-YEAR PLAN: 1978-82.

6. IN EARLY SEPTEMBER 1978 THE SALVADORAN LEGISLATIVE
ASSEMBLY AUTHORIZED THE EXECUTIVE BRANCH OF THE GOES
TO SIGN A LOAN CONTRACT FOR 250 MILLION FRENCH FRANCS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 SAN SA 04775 111951Z

EQUIVALENT TO APPROXIMATELY 136 MILLION COLONES OR 54.4
MILLION DOLLARS WITH THREE FRENCH BANKS: CREDIT NATIONALE,
BANQUE DE PARIS ET DES PAYS-BAS; BANQUE NATIONALE DE PARIS;
AND BANQUE FRANCAISE DE COMERCE EXTERIEUR. ACCORDING TO
THE ANNOUNCEMENT OF THE LOAN SIGNING, FUNDS ARE TO BE
USED EXCLUSIVELY FOR (A) DEVELOPMENT OF AN INDUSTRIAL
FISHING PORT IN PUNTA GORDA, GOLFO DE FONSECA, (B)
DEVELOPMENT OF A WHOLESALE FISH MARKET IN SAN SALVADOR, AND
(C) PURCHASE OF TWO TUNA SHIPS AND A TUG BOAT.

7. A GOES SOURCE IN PLANNING MINISTRY INDICATED THAT TERMS OF
LOAN ARE: 20 YEAR REPAYMENT, THREE YEAR GRACE AND 3.5 PERCENT
INTEREST. LOAN FUNDS TO BE TIED TO FRENCH GOODS AND SERVICES.

8. GOES SOURCE CONFIDED THAT SUBJECT LOAN, RECENT VISIT OF
HIGH-LEVEL FRENCH TRADE MISSION TO EL SALVADOR AND IMMINENT
VISIT OF HIGH-LEVEL SALVADORAN MISSION, HEADED BE PRESIDENT
JULIO ASTACIO, TO FRANCE AND SPAIN (REFTEL) IS RESULT OF GOES
EFFORT TO EXPAND TRADE, INVESTMENT AND DEVELOPMENT RELATIONS
WITH THE EEC, ESPECIALLY WITH THOSE COUNTRIES WHICH HAVE NOT
TAKEN A QUOTE FANATICAL APPROACH TO HUMAN RIGHTS UNQUOTE.
DEVINE

LIMITED OFFICIAL USE

NNNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FISHING INDUSTRY, LOAN AGREEMENTS, DEVELOPMENT LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 11 sep 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978SANSAS04775
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780381-1016
Format: TEL
From: SAN SALVADOR
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780981/aaaacpcv.tel
Line Count: 116
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: bd97e852-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 SAN SALVADOR 4708
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1484397
Secure: OPEN
Status: NATIVE
Subject: GOES SIGNS SOFT LOAN AGREEMENT WITH FRENCH TO FINANCE SALVADORAN FISHING INFRASTRUCTURE
TAGS: OVIP, SHUM, EAID, EFIS, ETRD, ES, FR
To: STATE BONN
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/bd97e852-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014